

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- X
EMPLOYERS INSURANCE COMPANY
OF WAUSAU,

2008 Civ. 0042 (JFK)

Petitioner,

ORDER

and

PALADIN REINSURANCE CORPORATION,

Respondent.

----- X

Upon the Stipulation of counsel for both parties hereto, it is hereby

ORDERED that the Revised Final Award in the arbitration between the parties (the "Award"), a copy of which is Exhibit 1 hereto, is hereby confirmed pursuant to 9 U.S.C. § 9; and it is further


ORDERED that the Award shall be entered as a Judgment of this Court; and it is further

ORDERED that, pursuant to 9 U.S.C. § 13, copies of the agreements between the parties as provided by Petitioner, which are annexed as Exhibit 2 hereto, and a copy of the Petition to Confirm Revision Final Arbitration Award in this proceeding, which is annexed as Exhibit 3 hereto, shall also be filed with the Clerk; and it is further

ORDERED that upon the above entry of said judgment, this proceeding shall be dismissed with prejudice against renewal. Each party hereto shall bear its own costs.

Dated: New York, New York

February 21, 2008



John F. Keenan, U.S.D.J.

111

In the Matter of the Arbitration Between
PALADIN REINSURANCE CORPORATION,
Petitioner

Before

and

Robert Robinson, Arbitrator
Paul Hawksworth, Arbitrator
Elizabeth M. Thompson, Umpire

EMPLOYERS INSURANCE COMPANY OF WAUSAU
Respondent

REVISED FINAL AWARD

This arbitration was commenced by demand served by Paladin Reinsurance Corporation (Paladin) dated November 28, 2006. Respondent Employers Insurance Company of Wausau (Wausau) filed a Motion to Dismiss Paladin's claims as time barred. After full briefing and submission of evidence by the parties, the Panel conducted a telephonic hearing on August 8, 2007. The Panel, after having considered and deliberated concerning the evidence presented and the written and oral submissions of the parties, issued its award on August 29, 2007. Subsequently Paladin requested the Panel to clarify its award. The Panel, after having considered the parties' submissions with respect to Paladin's request for clarification issues, the following revised final award:

1. Both parties submitted documentary evidence in support of their respective positions. The parties acknowledged that the panel has been provided with all the information required to rule on the issue raised by Wausau's motion. See August 8, 2007 Hearing Transcript, p. 52. The Panel therefore has treated this motion as a Motion for Summary Judgment.
2. It is undisputed that New York law applies to the contracts at issue and that the governing statute of limitations is the latter of six years from the date of the alleged breach or two years from the date Paladin knew of, or through the exercise of reasonable diligence could have discovered the alleged breach.
3. The Panel finds that Paladin knew of, or with the exercise of reasonable diligence could have discovered Wausau's alleged breach of the retention warranties in the facultative certificates at issue more than two years prior to October 25, 2001. Accordingly the Panel finds that Paladin's claims in this proceeding are time barred.
4. Each party shall bear its own costs and fees and the fees and expenses of its party appointed arbitrator. Each party shall pay one half of the fees and costs of the umpire. The fees and expenses of the arbitrators and umpire shall be paid within 30 days of submission of their billings.

5 All other requests of the parties are denied

Dated September 12, 2007

Robert Robinson

Robert Robinson, Arbitrator *ent by permission*

Paul Hawksworth

Paul Hawksworth, Arbitrator *ent by permission*

Elizabeth M. Thompson

Elizabeth M. Thompson, Umpire

(hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

REINSURING AGREEMENTS AND CONDITIONS

A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company, subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.

B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate) or where the Company has created a loss reserve of fifty (50) percent or greater of the Company's retention set forth in Item 3 of the declarations; or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and conduct of any claim, suit or proceeding involving this reinsurance, with the full cooperation of the Company. All claims involving this reinsurance which settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay: (1) its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior consent to legal proceedings has been obtained from the Reinsurer), as follows: (a) with respect to reinsurance provided on an Excess of Loss basis in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments; and (b) with respect to reinsurance provided on a Pro Rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of liability.

C. PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly, provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section I. of these general conditions.

D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.

E. SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement or making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.

F. OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.

G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.

H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.

I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

J. TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.

K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.

L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the liquidation or liquidation proceeding or in the insolvency, and that during the pendency of such claim, the Reinsurer may investigate such claim and, for purpose, at its own expense, of the proceeding, where such claim is to be adjudicated, any defense or defense claim it may deem justifiable as the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of liquidation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of recovery hereunder, such difference shall be submitted to arbitration. One arbitrator to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrators before they enter upon arbitration. In the event that either party should fail to choose an arbitrator within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitrators who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitrators within sixty days following the date of their appointment. The decision of the arbitrators shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbitrator, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbitrators are chosen by one party, as above provided, the expense of the arbitrators, the umpire, and the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

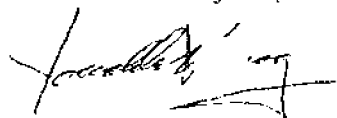
N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.

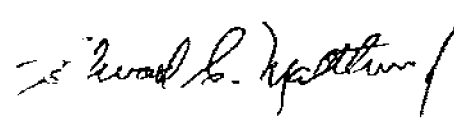
O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.

P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.

Q. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

 Secretary

 President

PALADIN REINSURANCE CORPORATION

A Company Managed By
SYNCORP

ENDORSEMENT NO.: 1

THIS ENDORSEMENT, EFFECTIVE 9/1/84, FORMS A PART OF

CONTRACT NO.: C 1410 ISSUED TO Employers Insurance of Wausau, a Mutual Co.

ORIGINAL INSURED: American Bureau of Shipping POLICY NO.: 5736-00-200538

In consideration of the original premium charged it is understood
and agreed that the company policy period is amended to read as follows:

September 1, 1983 to September 1, 1984

It is further agreed that this certificate is terminated as of
September 1, 1984 at 12:01 A.M. standard time at the address of the
named insured.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: October 4, 1984

Joise Hennard
AUTHORIZED SIGNATURE

CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE		CERTIFICATE NUMBER C 1143
PALADIN REINSURANCE CORPORATION NEW YORK, NEW YORK		
CEDING CO. AND ADDRESS		
Employers Insurance of Wausau a Mutual Company		
C/O J.L. Kelley, Inc. 59 John Street New York, N.Y. 10038		
ATTENTION:		
DECLARATIONS		
INSURED & ADDRESS	A. Epstein & Sons International, Inc. etal Chicago, IL 60609	
COMPANY POLICY NUMBER	5733-00-300096	
COMPANY POLICY PERIOD	1/22/82 - 1/22/83	CERTIFICATE PERIOD 1/22/82 - 1/22/83
ITEM 1 TYPE OF INSURANCE	Architects & Engineers Professional Liability	
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$10,000,000 each claim & annual aggregate in excess of \$250,000 Self Insured Retention each and every claim including expense	
ITEM 3 COMPANY RETENTION	A) \$100,000 part of \$2,000,000 each claim & agg excess of S.I.R. B) \$2,000,000 part of \$3,000,000 each claim & agg in excess of A C) \$5,000,000 each claim & agg in excess of B, all including other facultative reinsurance	
ITEM 4 REINSURANCE ACCEPTED	A) \$100,000 part of \$2,000,000 each claim & agg excess of S.I.R. B) \$400,000 part of \$3,000,000 each claim & agg XS of \$2,000,000 C) nil part of \$5,000,000 XS of \$5,000,000	
ITEM 5 BASIS OF REINSURANCE	<input type="checkbox"/> EXCESS OF LOSS <input checked="" type="checkbox"/> CONTRIBUTING EXCESS <input type="checkbox"/> NON-CONCURRENT	
ITEM 6 CANCELLATION	45 DAYS NOTICE Being 15 days plus original	
PREMIUM THIS CERTIFICATE		
\$A) \$7,400 <input checked="" type="checkbox"/> FIXED <input type="checkbox"/> DEPOSIT CED. COMM. 25% B) \$7,600 Total \$15,000.		
INSTALLMENTS PAYABLE	ESTIMATED PREMIUM BASE	RATE
AT INCEPTION		\$11,250.00 Net
DATE		Being
DATE		\$15,000.00 Less
DATE		Cede Comm.
MINIMUM PREMIUM - FOR REINSURANCE PERIOD		
DATE February 25, 1982 BY <u>R.C. Feate</u> <small>AUTHORIZED SIGNATURE</small>		

PALADIN REINSURANCE CORPORATION

ENDORSEMENT NO.: 1

RECEIVED
WAUSAU INTL

JUN 1 1982

This endorsement, effective January 22, 1982 forms a part of
Contract No.: C 1143 issued to Employers Insurance of Wausau - A Mutual Co.
Original Insured: A. Epstein & Sons etal Policy No.: 5733-00-300096

In consideration of an additional premium of \$187.50 Net being
\$250.00 less 25% ceding commission it is agreed that reinsurance of
#7 of original cover is accepted under this certificate.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: 3 / 5 / 82


Authorized Signature

PALADIN REINSURANCE CORPORATION

ENDORSEMENT NO.: 2

RECEIVED
WAUSAU INT'L

JUN 1 1982

This endorsement, effective January 22, 1982 forms a part of
Contract No.: C 1143 issued to Employers Ins. of Wausau - A Mutual Comp.
Original Insured: A. Epstein & Sons, etal Policy No.: 5733-00-30096

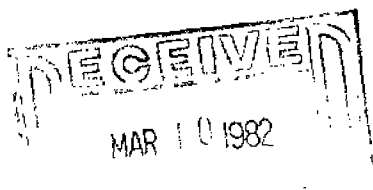
It is understood and agreed that declarations on the certificate are amended to read as follows:

Item 3 - Company Retention (A) \$1,400,000 part of \$2,000,000 excess of SIR

(B) nil this layer

(C) \$2,000,000 part of \$5,000,000 excess of \$5,000,000 excess of SIR

Item 6 Cancellation should read 75 days
in all



ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: 3/ 8/ 82

P. Keane
Authorized Signature

PALADIN REINSURANCE CORPORATION

ENDORSEMENT NO.: 2 (Revised)

RECEIVED
WAUSAU INTL

JUN 1 1982

This endorsement, effective January 22, 1982 forms a part of
Contract No.: C 1143 issued to Employers Ins. of Wausau - A Mutual Co.
Original Insured: A. Epstein & Sons, Policy No.: 5733-00-30096
etal

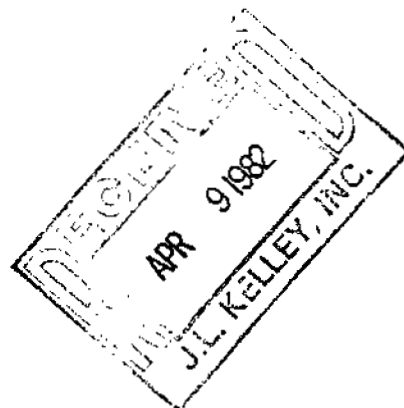
It is understood and agreed that declarations on the
certificate are amended to read as follows:

Item 3 - Company Retention (A) \$1,400,000 part of \$2,000,000
excess of SIR.

(B) Nil this layer

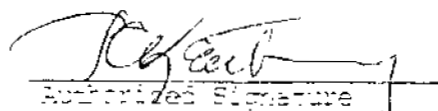
(C) \$1,100,000 part of \$5,000,000 excess of SIR

Item 6 Cancellation should read 75 days
in all



ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: 3/7/82


Authorized Signature

PALADIN REINSURANCE CORPORATION

ENDORSEMENT NO.: 2 (2nd Revision)

RECEIVED
WAUSAU INT'L

MAY 26 1982

RECEIVED
WAUSAU INT'L

MAY 06 1982

This endorsement, effective January 22, 1982 forms a part of
Contract No.: C 1143 issued to Employers Ins. of Wausau-A Mutual Co.
Original Insured: A. Epstein & Sons Policy No.: 5733-00-300096
etal

It is understood and agreed that declarations on the certificate
are amended to read as follows:

Item 3 - Company Retention (A) \$1,400,000 part of \$2,000,000
excess of SIR.

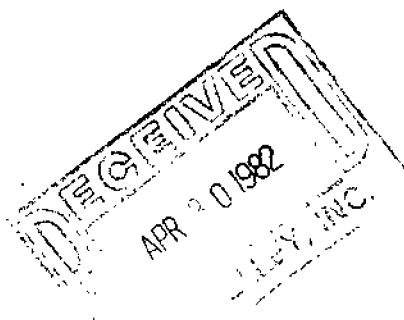
(B) Nil this layer

(C) \$1,100,000 part of \$5,000,000 excess of \$5,000,000

Item 6 Cancellation should read 75 days
in all

RECEIVED
WAUSAU INT'L

JUN 1 1982



ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: 4/29/82

[Signature]
Authorized Signature

CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

**PALADIN REINSURANCE
CORPORATION**

NEW YORK, NEW YORK

CERTIFICATE NUMBER

C 1161

WAUSAU INT'L

CEDING CO. AND ADDRESS

Employers Insurance of Wausau
A Mutual CompanyC/O PCM Intermediaries, Ltd.
90 William Street
New York, N.Y. 10038

ATTENTION: Mr. Alfred Amend

RENEWING
CERTIFICATE

APR 19 1982

REPLACING
CERTIFICATEPRODUCER
CODE NO.

DECLARATIONS

INSURED & ADDRESS	Coopers & Lybrand New York, N.Y. 10020		
COMPANY POLICY NUMBER	5733-00-100061		
COMPANY POLICY PERIOD	3/1/82 - 3/1/83	CERTIFICATE PERIOD	3/1/82 - 3/1/83
ITEM 1 TYPE OF INSURANCE	Accountants Professional Liability		
ITEM 2 POLICY LIMITS AND APPLICATIONS	This Layer: \$613,500 part of \$7,000,000 excess of \$3,000,000 each claim/\$6,000,000 aggregate \$1,000,000 thereafter		
ITEM 3 COMPANY RETENTION	\$363,500. net treaty and other facultative reinsurance		
ITEM 4 REINSURANCE ACCEPTED	\$250,000		
ITEM 5 BASIS OF REINSURANCE	<input type="checkbox"/> EXCESS OF LOSS <input checked="" type="checkbox"/> CONTRIBUTING EXCESS <input type="checkbox"/> NON-CONCURRENT		
ITEM 6 CANCELLATION	45 DAYS NOTICE		
PREMIUM THIS CERTIFICATE	\$50,000.	<input checked="" type="checkbox"/> FIXED <input type="checkbox"/> DEPOSIT	CED. COMM. 27.5%
INSTALLMENTS PAYABLE	ESTIMATED PREMIUM BASE	RATE	EST. PREMIUM
AT INCEPTION			\$36,250. Net
DATE			Being
DATE			\$50,000. Less
DATE			Ceding Comm.
MINIMUM PREMIUM - FOR REINSURANCE PERIOD			
DATE <u>April 5, 1982</u> BY <u><i>P. Heater</i></u> AUTHORIZED SIGNATURE			

CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

CERTIFICATE NUMBER

C 1346

**PALADIN REINSURANCE
CORPORATION**

NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

Employers Insurance of Wausau - A Mutual
Companyc/o PCM Intermediaries, Inc.
130 William St.

ATTENTION: New York, N.Y. 10038

RENEWING
CERTIFICATE

C1161

REPLACING
CERTIFICATEPRODUCER
CODE NO.**DECLARATIONS**

INSURED & ADDRESS	Coopers & Lybrand New York, N.Y. 10020		
COMPANY POLICY NUMBER	5734-00-100061		
COMPANY POLICY PERIOD	3/1/83 to 3/1/84	CERTIFICATE PERIOD	3/1/83 to 3/1/84
ITEM 1 TYPE OF INSURANCE	Excess Accountants Professional Liability		
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$613,500 part of \$7,000,000 each claim/aggregate excess of \$3,000,000 each claim / \$6,000,000 aggregate with a \$1,000,000 each claim deductible thereafter		
ITEM 3 COMPANY RETENTION	\$163,500 each claim/aggregate part of total limits stated in item 2 Net & Treaty		
ITEM 4 REINSURANCE ACCEPTED	\$250,000 each claim/aggregate part of total limits stated in item 2		
ITEM 5 BASIS OF REINSURANCE	<input type="checkbox"/> EXCESS OF LOSS <input checked="" type="checkbox"/> CONTRIBUTING EXCESS <input type="checkbox"/> NON-CONCURRENT		
ITEM 6 CANCELLATION	45 DAYS NOTICE		

PREMIUM THIS CERTIFICATE \$50,000.00 ☐ FIXED ☐ DEPOSIT CED. COMM. 30%

INSTALLMENTS PAYABLE	ESTIMATED PREMIUM BASE	RATE	EST. PREMIUM
AT INCEPTION			
DATE			\$35,000.00
DATE			
DATE			

MINIMUM PREMIUM - FOR REINSURANCE PERIOD

DATE March 22, 1983

BY _____
AUTHORIZED SIGNATURE

(hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

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D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.

E. SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.

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G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.

H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.

I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) In the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

J. TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.

K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.

L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbitrator to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrators before they enter upon arbitration. In the event that either party should fail to choose an arbitrator within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitrators who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitrators within sixty days following the date of their appointment. The decision of the arbitrators shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbitrator, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbitrators are chosen by one party, as above provided, the expense of the arbitrators, the umpire, and the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.


N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the intermediary. Payments by the Company to the intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.

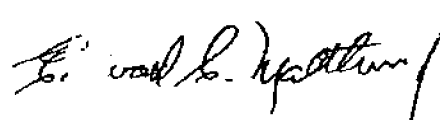
O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.

P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.

Q. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

 Secretary

 President

PALADIN REINSURANCE CORPORATION

NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

Employers Insurance of Wausau - A
Mutual Company

c/o PCM Intermediaries, Inc.
130 William St.

ATTENTION: New York, N.Y. 10038

DECLARATIONS

INSURED & ADDRESS	Coopers & Lybrand New York, N.Y. 10020		
COMPANY POLICY NUMBER	5734-00-100062		
COMPANY POLICY PERIOD	3/1/83 to 3/1/84	CERTIFICATE PERIOD	3/1/83 to 3/1/84
ITEM 1 TYPE OF INSURANCE	Excess Accountants Professional Liability		
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$1,660,000 part of \$10,000,000 each claim/aggregate excess of \$7,000,000 each claim/aggregate excess of \$3,000,000 each claim/\$6,000,000 aggregate with a \$1,000,000 each claim deductible thereafter		
ITEM 3 COMPANY RETENTION	\$160,000 each claim/aggregate part of Total limits stated in item 2 Net & Treaty		
ITEM 4 REINSURANCE ACCEPTED	\$250,000 each claim/aggregate part of total limits stated in item 2		
ITEM 5 BASIS OF REINSURANCE	<input type="checkbox"/> EXCESS OF LOSS <input checked="" type="checkbox"/> CONTRIBUTING EXCESS <input type="checkbox"/> NON-CONCURRENT		
ITEM 6 CANCELLATION	45 DAYS NOTICE		
PREMIUM THIS CERTIFICATE \$18,125.00 <input checked="" type="checkbox"/> FIXED <input type="checkbox"/> DEPOSIT CED. COMM. 27.5%			
INSTALLMENTS PAYABLE		ESTIMATED PREMIUM BASE	RATE
AT INCEPTION			EST. PREMIUM
DATE			\$13,140.63
DATE			
DATE			
MINIMUM PREMIUM - FOR REINSURANCE PERIOD			
DATE March 22, 1983 BY AUTHORIZED SIGNATURE			

PALADIN REINSURANCE CORPORATION

123 WILLIAM STREET
NEW YORK, NEW YORK 10038
(hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

REINSURING AGREEMENTS AND CONDITIONS

A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company, subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.

B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate; or where the Company has created a loss reserve of fifty (50) percent or greater of the Company's retention set forth in Item 3 of the declarations; or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company. All claims involving this reinsurance when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay: (1) its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior consent to legal proceedings has been obtained from the Reinsurer), as follows: (a) with respect to reinsurance provided on an Excess of Loss basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro Rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of liability.

C. PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly; provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section L of these general conditions.

D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.

E. SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement or making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.

F. OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.

G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.

H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.

I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

J. TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.

K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.

L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration; one arbitrator to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrators before they enter upon arbitration. In the event that either party should fail to choose an arbitrator within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitrators who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitrators within sixty days following the date of their appointment. The decision of the arbitrators shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbitrator, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbitrators are chosen by one party, as above provided, the expense of the arbitrators, the umpire, and the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

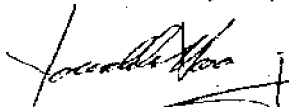
N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.

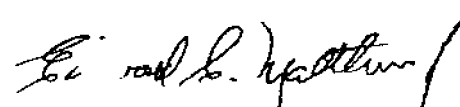
O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.

P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.

Q. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

 Secretary

 President

CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

**PALADIN REINSURANCE
CORPORATION**

NEW YORK, NEW YORK

CERTIFICATE NUMBER

C 1265

CEDING CO. AND ADDRESS

Employers Insurance of
Wausau A Mutual Co.

C/O PCM Intermediaires, Ltd.

RENEWING
CERTIFICATE

1065

REPLACING
CERTIFICATEPRODUCER
CODE NO.ATTENTION: **DECLARATIONS**

INSURED & ADDRESS	Frank B. Hall & Co., Inc. etal Briarcliff Manor NY 10510		
COMPANY POLICY NUMBER	5733-00-100240		
COMPANY POLICY PERIOD	8/1/82 to 8/1/83	CERTIFICATE PERIOD	One Year
ITEM 1 TYPE OF INSURANCE	Umbrella Liabiltiy including Professional Liability		
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$30,000,000 each claim/occurrence/aggregate in excess of underlying insurance or self insurance		
ITEM 3 COMPANY RETENTION	various, net & treaty declared to underwriters		
ITEM 4 REINSURANCE ACCEPTED	\$500,000 each claim/occ/agg part of \$15,000,000 each claim/occ/agg/ excess of \$5,000,000 each claim/ occ/ agg excess of underlying insurance or SIR		
ITEM 5 BASIS OF REINSURANCE	<input type="checkbox"/> EXCESS OF LOSS <input checked="" type="checkbox"/> CONTRIBUTING EXCESS <input type="checkbox"/> NON-CONCURRENT		
ITEM 6 CANCELLATION	105 DAYS NOTICE		

PREMIUM THIS CERTIFICATE	\$7496.00	<input checked="" type="checkbox"/> FIXED <input type="checkbox"/> DEPOSIT	CED. COMM. 22.5%
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INSTALLMENTS PAYABLE		ESTIMATED PREMIUM BASE	RATE	EST. PREMIUM
AT INCEPTION				
DATE				\$5809.00 net
DATE				
DATE				

MINIMUM PREMIUM - FOR REINSURANCE PERIOD

DATE 9/1/82BY

AUTHORIZED SIGNATURE

(hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

REINSURING AGREEMENTS AND CONDITIONS

A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company; subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.

B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate; or where the Company has created a loss reserve of fifty (50) percent or greater of the Company's retention set forth in Item 3 of the declarations; or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company.

All claims involving this reinsurance when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay: (1) its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior content to legal proceedings has been obtained from the Reinsurer), as follows: (a) with respect to reinsurance provided on an Excess of Loss basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro Rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of liability.

C. PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly; provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section L of these general conditions.

D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.

E. SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement or making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.

F. OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.

G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.

H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.

I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

J. TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.

K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.

L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbitrator to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrators before they enter upon arbitration. In the event that either party should fail to choose an arbitrator within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitrators who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitrators within sixty days following the date of their appointment. The decision of the arbitrators shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbitrator, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbitrators are chosen by one party, as above provided, the expense of the arbitrators, the umpire, and the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

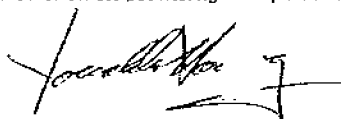
N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.

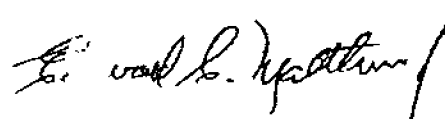
O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.

P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.

Q. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

 Secretary

 President

CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

**PALADIN REINSURANCE
CORPORATION**

NEW YORK, NEW YORK

CERTIFICATE NUMBER

C 1435

CEDING CO. AND ADDRESS

☐ Employers Insurance of Wausau,
A Mutual Company
C/O New Amsterdam Excess, Inc.
130 William Street
New York, N.Y. 10038

RENEWING
CERTIFICATE

01323

REPLACING
CERTIFICATEPRODUCER
CODE NO.ATTENTION: ☐

DECLARATIONS

INSURED & ADDRESS	Fred S. James & Company & Wigham-Poland Holdings, Ltd.		
COMPANY POLICY NUMBER	(A) 5735-03-100143 (B) 8253-03-670053		
COMPANY POLICY PERIOD	1/1/84 to 1/1/85	CERTIFICATE PERIOD	1/1/84 to 1/1/85
ITEM 1 TYPE OF INSURANCE	Excess Umbrella Including Professional Liability		
ITEM 2 POLICY LIMITS AND APPLICATIONS	A) \$2,500,000 part of \$5,000,000 each claim/occ in the agg where applicable excess of underlying. B) \$1,250,000 part of \$2,500,000 each claim/occ or in the agg where applicable excess of underlying		
ITEM 3 COMPANY RETENTION	A) \$750,000 Net&Treaty B) \$375,000 Net&Treaty		
ITEM 4 REINSURANCE ACCEPTED	A) \$500,000 part of total limits set forth above B) \$1250,000 part of total limits set forth above		
ITEM 5 BASIS OF REINSURANCE	<input type="checkbox"/> EXCESS OF LOSS <input checked="" type="checkbox"/> CONTRIBUTING EXCESS <input type="checkbox"/> NON-CONCURRENT		
ITEM 6 CANCELLATION	75 DAYS NOTICE		
PREMIUM THIS CERTIFICATE	\$25,000	<input checked="" type="checkbox"/> FIXED <input type="checkbox"/> DEPOSIT	CED. COMM. 27.5%
INSTALLMENTS PAYABLE	ESTIMATED PREMIUM BASE	RATE	EST. PREMIUM
AT INCEPTION			\$18,125.00
DATE			
DATE			
DATE			
MINIMUM PREMIUM - FOR REINSURANCE PERIOD			
DATE <u>May 31, 1984</u> BY <u>[Signature]</u> AUTHORIZED SIGNATURE			

PALADIN REINSURANCE CORPORATION123 WILLIAM STREET
NEW YORK, NEW YORK 10038

(hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

REINSURING AGREEMENTS AND CONDITIONS

A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company; subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.

B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability) might result in a judgment in an amount sufficient to involve this certificate; or where the Company has created a loss reserve of fifty (50) percent or greater of the Company's retention set forth in Item 3 of the declarations; or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company.

All claims involving this reinsurance when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay: (1) its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior consent to legal proceedings has been obtained from the Reinsurer), as follows: (a) with respect to reinsurance provided on an Excess of Loss basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro Rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of liability.

C. PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly, provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section L of these general conditions.

D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books, records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.

E. SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.

F. OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.

G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.

H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.

I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) In the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

J. TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.

K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.

L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbitrator to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrators before they enter upon arbitration. In the event that either party should fail to choose an arbitrator within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitrators who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitrators within sixty days following the date of their appointment. The decision of the arbitrators shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbitrator, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbitrators are chosen by one party, as above provided, the expense of the arbitrators, the umpire, and the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.

O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.

P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.

Q. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

PALADIN REINSURANCE CORPORATION

A Company Managed By
SYNCORP

ENDORSEMENT NO.: 1

THIS ENDORSEMENT, EFFECTIVE 1/1/84, FORMS A PART OF

CONTRACT NO.: C 1435 ISSUED TO Employers Insurance of Wausau, A Mutual Co.

ORIGINAL INSURED: Fred S. James & Company & Wigham - Poland Holdings, Ltd. POLICY NO.: A/5735-03-100143
B/8235-03-670053

It is understood and agreed that the certificate is amended to read as follow:

Company Policy Number: B) 8235-03-670053

Item 3 (Company Retention): A) \$ 1,250,000 Net & Treaty

B) \$ 625,000 Net & Treaty

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: August 29, 1984

Thomas J. Korman
AUTHORIZED SIGNATURE

(hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

REINSURING AGREEMENTS AND CONDITIONS

A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company; subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.

B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability) might result in a judgment in an amount sufficient to involve this certificate; or where the Company has created a loss reserve of fifty (50) percent or greater of the Company's retention set forth in Item 3 of the declarations; or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company. All claims involving this reinsurance when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay: (1) its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior consent to legal proceedings has been obtained from the Reinsurer), as follows: (a) with respect to reinsurance provided on an Excess of Loss basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro Rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of liability.

C. PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly; provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section L of these general conditions.

D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.

E. SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.

F. OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.

G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.

H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.

I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

J. TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.

K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.

L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbitrator to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrators before they enter upon arbitration. In the event that either party should fail to choose an arbitrator within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitrators who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitrators within sixty days following the date of their appointment. The decision of the arbitrators shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbitrator, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbitrators are chosen by one party, as above provided, the expense of the arbitrators, the umpire, and the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.


N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.

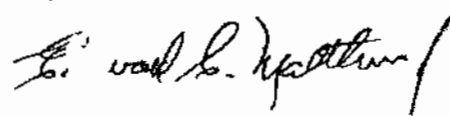
O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.

P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.

Q. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

 Secretary

 President

CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

PALADIN REINSURANCE CORPORATION

NEW YORK, NEW YORK

CERTIFICATE NUMBER

C 1343

CEDING CO. AND ADDRESS

Employers Insurance of Wausau, A Mutual Company

c/o PCM Intermediaries, Inc.
130 William St.

ATTENTION: New York, N.Y. 10038

RENEWING
CERTIFICATE

C1156

REPLACING
CERTIFICATEPRODUCER
CODE NO.**DECLARATIONS**

INSURED & ADDRESS	Gulf Oil Corporation etal Pittsburgh, Pa. 15230		
COMPANY POLICY NUMBER	5735-00-200290		
COMPANY POLICY PERIOD	3/1/83 to 1/1/85	CERTIFICATE PERIOD 3/1/83 to 1/1/85	
ITEM 1 TYPE OF INSURANCE	Manuscript Excess Third Party Liability		
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$500,000 part of \$10,000,000 each occurrence and aggregate where applicable in excess of \$10,000,000 each occurrence, insured of self insured retention		
ITEM 3 COMPANY RETENTION	\$350,000 including other facultative reinsurance		
ITEM 4 REINSURANCE ACCEPTED	\$150,000		
ITEM 5 BASIS OF REINSURANCE	<input type="checkbox"/> EXCESS OF LOSS <input checked="" type="checkbox"/> CONTRIBUTING EXCESS <input type="checkbox"/> NON-CONCURRENT		
ITEM 6 CANCELLATION	105 DAYS NOTICE		
PREMIUM THIS CERTIFICATE \$11,579.40 <input checked="" type="checkbox"/> FIXED <input type="checkbox"/> DEPOSIT CED. COMM. 27.5%			
INSTALLMENTS PAYABLE		ESTIMATED PREMIUM BASE	EST. PREMIUM
AT INCEPTION			
DATE			
DATE			\$8,395.06
DATE			
MINIMUM PREMIUM - FOR REINSURANCE PERIOD			
DATE <u>March 23, 1983</u> BY _____ AUTHORIZED SIGNATURE			

CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

**PALADIN REINSURANCE
CORPORATION**

NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

Employers Insurance of
Wausau A. Mutual CompanyC/O J.L. Kelley Inc.
Mr. Robert Osborne

CERTIFICATE NUMBER

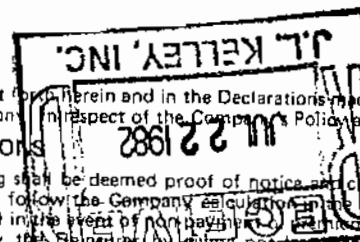
C 1217RENEWING
CERTIFICATERECEIVED
WAUSAUREPLACING
CERTIFICATE

SEP 2 1982

PRODUCER
CODE NO.ATTENTION: **DECLARATIONS**

INSURED & ADDRESS	Internorth, Inc. etal Omaha Nebraska 68102		
COMPANY POLICY NUMBER	5733-00-300535		
COMPANY POLICY PERIOD	6/1/82 to 61/1/83	CERTIFICATE PERIOD One Year	
ITEM 1 TYPE OF INSURANCE	Excess CGL, CAL, EB XS WC & EL as per original		
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$4,000,000 part of \$15,000,000 each occ/agg where applicable excess each occurrence excess of SIR		
ITEM 3 COMPANY RETENTION	\$3,000,000 including other facultative reinsurance (\$1,500,000 Net & Treaty)		
ITEM 4 REINSURANCE ACCEPTED	\$1,000,000 each occ/agg part of total limits		
ITEM 5 BASIS OF REINSURANCE	<input type="checkbox"/> EXCESS OF LOSS <input checked="" type="checkbox"/> CONTRIBUTING EXCESS <input type="checkbox"/> NON-CONCURRENT		
ITEM 6 CANCELLATION	60 DAYS NOTICE		
PREMIUM THIS CERTIFICATE \$4650.00 <input type="checkbox"/> FIXED <input type="checkbox"/> DEPOSIT CED. COMM. 27.5			
INSTALLMENTS PAYABLE	ESTIMATED PREMIUM BASE	RATE	EST. PREMIUM
AT INCEPTION			\$3371.00 net
DATE			being
DATE			\$4650.00 less
DATE			ceding comm.
MINIMUM PREMIUM - FOR REINSURANCE PERIOD			
DATE <u>July 21, 1982</u>		BY <u><i>P. Keating</i></u> AUTHORIZED SIGNATURE	

PALADIN REINSURANCE CORPORATION
123 WILLIAM STREET
NEW YORK, NEW YORK 10038
(hereinafter called the Reinsurer)



In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

REINSURING AGREEMENTS AND CONDITIONS

A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company, subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.

B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to result in a claim or of any occurrence which in the Company's estimate, the settlement of a claim is sought (in that regard to liability might result in a judgment or an amount sufficient to involve this certificate or where the Company has incurred a loss reserve of fifty (50) percent or greater of the Company's capital and surplus as shown on Item 3 of the declaration). If this reinsurance is on an excess basis when notice of claims received by the Reinsurer, the Company will further advise the Reinsurer of any developments in the claim in a timely manner of all developments relating to the claim. The Reinsurer does not undertake to investigate or defend a claim or to pay a claim, but it shall be given the opportunity to assist with the Company and its representatives at the Reinsurer's expense in the defense, settlement, suit or proceeding involving reinsurance, with the Reinsurer's approval of the Company. Claims involving the insured which are settled by the Company shall be paid to the insured. The Reinsurer shall be bound to pay its proportion of such claims to the Company, to the extent of the limit of payment (1) its proportion of the Company's salaries and office expenses) and (2) its proportion of the Company's settlement of claims or suits, (3) its proportion of the Company's cost of any judgment or award and (4) expenses of the Company in connection with any proceedings has been incurred from the Reinsurer, is follows: (a) with respect to reinsurance provided on an Excess of Loss basis, the ratio that the Reinsurer's loss payment bears to the Company's loss payments, and (b) with respect to reinsurance provided on a Pro Rata basis, the ratio that the Reinsurer's limit bears to the Company's limit of liability.

C. PROOF OF LOSS. The Company shall furnish proof that payment of a claim or expense has actually been made by the Company and payment by the Reinsurer of its proportion of the cost shall be made promptly, provided, however, in the event of recovery of the Company payment by the Reinsurer, the proportion of loss and its expense, which the Company has incurred for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section L of these general conditions.

D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books, records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in respect on thereon.

E. SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages, i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.

F. OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.

G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.

H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.

I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company's calculation and rates of short rate or pro rata tables. (b) In the event of non-payment by the Company, this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

J. TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.

K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.

L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy insured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbitrator to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrators before they enter upon arbitration. In the event that either party should fail to choose an arbitrator within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitrators who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitrators within sixty days following the date of their appointment. The decision of the arbitrators shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbitrator, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbitrators are chosen by one party, as above provided, the expense of the arbitrators, the umpire, and the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

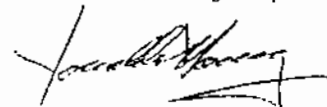
N. INTERMEDIARY. The intermediary named herein is hereby recognized as the intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the intermediary. Payments by the Company to the intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.

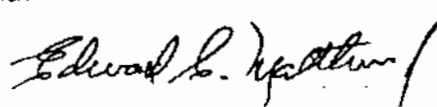
O. NON-CONCURRENT. shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.

P. EXCESS OF LOSS. shall mean the limit of liability of the Reinsurer, as stated, applies only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.

Q. CONTRIBUTING EXCESS. shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

 Secretary

 President

PALADIN REINSURANCE CORPORATION
123 WILLIAM STREET
NEW YORK, NEW YORK 10038
(hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows.

REINSURING AGREEMENTS AND CONDITIONS

A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company; subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.

B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate; or where the Company has created a loss reserve of fifty (50) percent or greater of the Company's retention set forth in Item 3 of the declarations; or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company. All claims involving this reinsurance when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay (1) its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior consent to legal proceedings has been obtained from the Reinsurer), as follows: (a) with respect to reinsurance provided on an Excess of Loss basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro Rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of liability.

C. PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly; provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section L of these general conditions.

D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.

E. SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement or making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.

F. OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement, heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.

G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.

H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.

I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

J. TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.

K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.

L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbitrator to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrators before they enter upon arbitration. In the event that either party should fail to choose an arbitrator within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitrators who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitrators within sixty days following the date of their appointment. The decision of the arbitrators shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbitrator, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbitrators are chosen by one party, as above provided, the expense of the arbitrators, the umpire, and the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

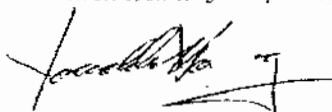
N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.

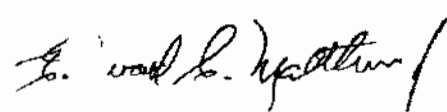
O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.

P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.

Q. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.


Secretary


President

CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

**PALADIN REINSURANCE
CORPORATION**

NEW YORK, NEW YORK

CERTIFICATE NUMBER

C 1174RECEIVED
WAUSAU INT'L

APR 5 1982

CEDING CO. AND ADDRESS

Employers Insurance of Wausau
A Mutual CompanyC/O J.L. Kelley, Inc.
59 John Street
New York, N.Y. 10038RENEWING
CERTIFICATEREPLACING
CERTIFICATEPRODUCER
CODE NO.

ATTENTION:

DECLARATIONS

INSURED & ADDRESS	Ivaco Inc./Atlantic Building Systems Inc. etal Marieville, P.Q., Canada J0L 1J0		
COMPANY POLICY NUMBER	2733-00-570068		
COMPANY POLICY PERIOD	2/16/82 to 2/16/83	CERTIFICATE PERIOD	2/16/82 to 2/16/83
ITEM 1 TYPE OF INSURANCE	Architects and Engineers Professional Liability as per form		
ITEM 2 POLICY LIMITS AND APPLICATIONS	C\$10,000,000 each claim & aggregate in excess of C\$250,000 each claim		
ITEM 3 COMPANY RETENTION	C\$5,000,000		
ITEM 4 REINSURANCE ACCEPTED	C\$1,000,000		
ITEM 5 BASIS OF REINSURANCE	<input type="checkbox"/> EXCESS OF LOSS <input checked="" type="checkbox"/> CONTRIBUTING EXCESS <input type="checkbox"/> NON-CONCURRENT		
ITEM 6 CANCELLATION	75 DAYS NOTICE Being 15 days plus original		
PREMIUM THIS CERTIFICATE	C\$11,880.	<input checked="" type="checkbox"/> FIXED <input type="checkbox"/> DEPOSIT	CED. COMM. 27.5%
INSTALLMENTS PAYABLE AT INCEPTION		ESTIMATED PREMIUM BASE	
DATE		RATE	
DATE			C\$8,613.00 Net
DATE			Being
			C\$11,880. Less
			Cede Comm.
MINIMUM PREMIUM - FOR REINSURANCE PERIOD			

DATE March 30, 1982

BY

AUTHORIZED SIGNATURE

PALADIN REINSURANCE CORPORATION

123 WILLIAM STREET
NEW YORK, NEW YORK 10038

(hereinafter called the Reinsurer)

It is agreed and payment of this premium, and in respect to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer shall be bound and is authorized to reimburse the Company (hereinafter called the Company) in respect of the Company's Policy as follows:

REINSURING AGREEMENTS AND CONDITIONS

A. REINSURER'S LIABILITY & RETENTION. The Company warrants to the Reinsurer that the Company has not been specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declaration shall be for the Company's liability in all respects to all third parties, conditions, and limits of the Company's policy, except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the time specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.

B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any claim or demand which is likely to involve this reinsurance or of any demand which the Company's estimate of the value of any loss or damages sought (without regard to liability) might result in a judgment or an amount sufficient to involve liquidation or where the Company has created a loss reserve of fifty (50) percent or more of the Company's net worth set forth in Item 3 of the Declaration. If the Reinsurer is on a contributing excess basis which does not exceed the limit of the Reinsurer's policy, the Company will further advise the Reinsurer, in writing, of complete and timely payment of all amounts due to the claim. When the Reinsurer does not undertake to investigate or settle claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representative at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company.

All claims involving this reinsurance when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay (1) its proportion of expenses, including the Company's salaries and office expenses incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its proportion to such proceedings has been determined from the Reinsurer), as follows: (a) with respect to reinsurance provided on an Excess or Loss basis, in the ratio that the Reinsurer's proportion bears to the Company's gross loss payments; and (b) with respect to reinsurance provided on a Co-insurance basis, in the ratio that the Reinsurer's limit bears to the Company's sum insured or liability.

C. PROOF OF LOSS. The Company shall furnish proof that payment of a loss or loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly, provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section L of the General Conditions.

D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall make at its district and Reinsurer shall have the right at all reasonable times in the office of the Company or elsewhere if mutually agreed, to inspect all books, records, and papers of the Company in any way pertaining to this reinsurance, provided, however, including but not limited to claims in respect on thereof.

E. SALVAGE. The Reinsurer shall be paid or credited by the Company with a proportion of salvage or a reimbursement obtained or recovery made by the Company, less the actual cost (including Company salaries and office expenses) of obtaining such reimbursement or making such recovery. If the insurance afforded by this Certificate is on an Excess or Loss basis, salvage shall be apportioned in the same manner as with respect to claims.

F. OFFSET. The Reinsurer may offset any balance(s) owed on account of claims, claims, losses, adjustment expense, salvage or any other amount(s) from one party to the other under this Certificate or under any other policy or policies in effect or to be effected between the Company and the Reinsurer, whether acting as assuming reinsurer or as ceding company.

G. WAR AND NUCLEAR EXCLUSION. This reinsurance policy does not include "Nuclear," "Nuclear Exclusion," and "War Exclusion." Causes considered for the coverage provided.

H. PRIOR ATTACHMENT. If the reinsurance hereunder attached prior to a date of acceptance, the Company warrants that there has been no transfer or change of ownership which might be deemed to affect this Certificate as of the date of acceptance.

I. CANCELLATION. If the Reinsurer or the Company, in accordance with the terms of the policy, shall terminate this Certificate, the Reinsurer shall be bound to pay its proportion of loss and loss expense which the Company has incurred for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section L of the General Conditions.

Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata terms. (b) In the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

J. TAXES. The Company shall be liable for taxes on premiums ceded to the Reinsurer under this Certificate.

K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.

L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsurance which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbitrator to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrators before they enter upon arbitration. In the event that either party should fail to choose an arbitrator within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitrators who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitrators within sixty days following the date of their appointment. The decision of the arbitrators shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbitrator, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbitrators are chosen by one party, as above provided, the expense of the arbitrators, the umpire, and the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.

O. NON CONCURRENT. shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.

P. EXCESS OF LOSS. shall mean the limit of liability of the Reinsurer, as stated, applies only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.

Q. CONTRIBUTING EXCESS. shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self-insured retention and the limit of liability of the Reinsurer applies proportionately to all loss settlements within the policy limits in the proportion set forth in Item No. 4 of the Declarations.

WITNESSETH, the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall be binding on the Company only if countersigned by an authorized representative of the Reinsurer.

[Signature]

[Signature]

PALADIN REINSURANCE CORPORATION

RECEIVED
WAUSAU INTL

ENDORSEMENT NO.: 1


MAR 3 1 1983

THIS ENDORSEMENT, EFFECTIVE 2/16/83, FORMS A PART OF
CONTRACT NO.: C1174 ISSUED TO Employers Insurance of Wausau a Mutual C
ORIGINAL INSURED: IVACO, Inc. etal POLICY NO.: 2733-00-570068

In consideration of an additional premium of C\$310.30 net
being C\$428.00 less ceding commission it is agreed that
endorsement #8 of original cover extending coverage
to March 1, 1983 is accepted for reinsurance.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: March 21, 1983


AUTHORIZED SIGNATURE

CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

**PALADIN REINSURANCE
CORPORATION**

NEW YORK, NEW YORK

CERTIFICATE NUMBER

C 1110

CEDING CO. AND ADDRESS

Employers Insurance of Wausau
a Mutual CompanyC/O PCM Intermediaries, Ltd.
90 William Street
New York, N.Y. 10038ATTENTION: Mr. Alfred AmendRENEWING
CERTIFICATEREPLACING
CERTIFICATEPRODUCER
CODE NO.**DECLARATIONS**

INSURED & ADDRESS	Kentucky Agricultural Energy Corporation etal Franklin, Kentucky		
COMPANY POLICY NUMBER	5733-00-100270		
COMPANY POLICY PERIOD	12/18/81 - 12/18/83	CERTIFICATE PERIOD	12/18/81 - 12/18/83
ITEM 1 TYPE OF INSURANCE	Extra Expense Liability arising from E & O per orig.		
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$10,000,000 excess of \$10,000,000 excess of \$1,000,000 S.I.R.		
ITEM 3 COMPANY RETENTION	\$9,000,000 part of \$10,000,000 including other facultative reinsurance		
ITEM 4 REINSURANCE ACCEPTED	\$1,000,000		
ITEM 5 BASIS OF REINSURANCE	<input type="checkbox"/> EXCESS OF LOSS <input checked="" type="checkbox"/> CONTRIBUTING EXCESS <input type="checkbox"/> NON-CONCURRENT		
ITEM 6 CANCELLATION	45 DAYS NOTICE Being 15 days plus original		
PREMIUM THIS CERTIFICATE \$11,500.00 <input checked="" type="checkbox"/> FIXED <input type="checkbox"/> DEPOSIT CED. COMM. 25%			
INSTALLMENTS PAYABLE		ESTIMATED PREMIUM BASE	RATE
AT INCEPTION			
DATE			\$8,625.00 Net
DATE			being
DATE			\$11,500.00 Less
			cede comm.
MINIMUM PREMIUM - FOR REINSURANCE PERIOD			
DATE <u>February 26, 1982</u> BY <u><i>PCMeatney</i></u> AUTHORIZED SIGNATURE			

PALADIN REINSURANCE CORPORATION

ENDORSEMENT NO.: 1

This endorsement, effective December 18, 1981 forms a part of
Contract No.: C 1110 issued to Employers Ins. of Wausau, A Mutual Comp.
Original Insured: Kentucky Agricultural Policy No.: 5733-00-100270
Energy etal

It is understood and agreed that Company Policy Period and Certificate
Period are both corrected to read:

December 18, 1981 to March 18, 1983

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: 3/ 8/ 82


Authorized Signature

PALADIN REINSURANCE CORPORATION

ENDORSEMENT NO.: 2

THIS ENDORSEMENT, EFFECTIVE 4/14/82, FORMS A PART OF
CONTRACT NO.: C1110 ISSUED TO Employer's of Wausau A Mutual Co.
ORIGINAL INSURED: Kentucky Agricultural Energy POLICY NO.: 5733-00-100270
et.al.

It is understood and agreed that the company policy period
and certificate period are amended to read as follows:

"From December 18, 1981 until final acceptance of the
plant by the insured."

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: May 23, 1983

James Bernard
AUTHORIZED SIGNATURE

PALADIN REINSURANCE CORPORATION

A Company Managed By
SYNACORP

ENDORSEMENT NO.: #3

THIS ENDORSEMENT, EFFECTIVE March 18, FORMS A PART OF
1983

CONTRACT NO.: C1110 ISSUED TO Employers Insurance of Wausau
a Mutual Company
ORIGINAL INSURED: Kentucky Agricultural POLICY NO.: 5733-00-100270
Energy Corp

In consideration of an additional net premium \$1725.00
being \$2300.00 less ceding commission it is agreed that
endorsement #6 to original cover is hereby accepted.

WAUSAU INTL

13 JUN 94 09:59

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: May 22, 1984


AUTHORIZED SIGNATURE

123 William Street • New York New York 10038 • Telephone: 212 732 0825 • Telex 141498

(hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

REINSURING AGREEMENTS AND CONDITIONS

A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company; subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.

B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate; or where the Company has created a loss reserve of fifty (50) percent or greater of the Company's retention set forth in Item 3 of the declarations; or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company. All claims involving this reinsurance when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay: (1) its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior consent to legal proceedings has been obtained from the Reinsurer), as follows: (a) with respect to reinsurance provided on an Excess of Loss basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro Rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of liability.

C. PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly, provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section L of these general conditions.

D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.

E. SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.

F. OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.

G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.

H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.

I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

J. TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.

K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.

L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbitrator to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrators before they enter upon arbitration. In the event that either party should fail to choose an arbitrator within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitrators who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitrators within sixty days following the date of their appointment. The decision of the arbitrators shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbitrator, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbitrators are chosen by one party, as above provided, the expense of the arbitrators, the umpire, and the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.


N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.

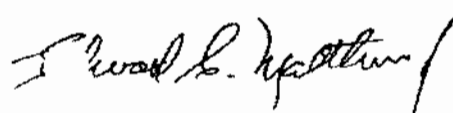
O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.

P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.

Q. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

 Secretary

 President

PALADIN REINSURANCE CORPORATION

ENDORSEMENT NO.: 1

This endorsement, effective 7/1/82 forms a part of
 Contract No.: C1250 issued to Employees Ins of Wausau - a Mutual Co.
 Original Insured: Met calf + Eddy Inc Policy No.: 5735-00-300 326
the

It is understood and agreed that deductions
 are amended and corrected as follows.

Item 6 - Cancellation - ~~105 days~~ ^{105 days} ~~advance notice~~
 anniversary only.

Ceding Commission : 25%

Estimated Premium 3750⁰⁰ NET

Issued
 hereof of
 order on
 9/20/82

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: / /

Authorized Signature

PALADIN REINSURANCE CORPORATION

ENDORSEMENT NO.: 2

THIS ENDORSEMENT, EFFECTIVE 7/1/83, FORMS A PART OF
CONTRACT NO.: C 1250 ISSUED TO Employers Insurance of Wausau, A Mutual Co.
ORIGINAL INSURED: Metcalf & Eddy POLICY NO.: 5735-00-300326

In consideration of an additional premium of \$3,750.00 Net,
(being \$5,000.00 Gross less 25% ceding commission), it is under-
stood and agreed that this certificate is extended from 7/1/83
to 7/1/84.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: July 28, 1983

[Signature]
AUTHORIZED SIGNATURE

ENDORSEMENT NO.: 3

THIS ENDORSEMENT, EFFECTIVE 7/1/83, FORMS A PART OF
CONTRACT NO.: C 1250 ISSUED TO Employers Insurance of Wausau, A Mutual Co.
ORIGINAL INSURED: Metcalf & Eddy, Inc. POLICY NO.: 5735-00-300326

In consideration of a return premium of \$188.00 Net being 250.00 less
ceding it is understood and agreed that premium audit for the period 7/1/82 to
7/1/83 is accepted by the reinsurer.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: August 22, 1983



AUTHORIZED SIGNATURE

PALADIN REINSURANCE CORPORATION

A Company Managed By
SYNCORP

ENDORSEMENT NO.: 4

THIS ENDORSEMENT, EFFECTIVE 7/1/84, FORMS A PART OF

CONTRACT NO.: C1250 ISSUED TO Employers Insurance of Wausau, A Mutual Company

ORIGINAL INSURED: Metcalf & Eddy, Inc. Etal POLICY NO.: 5735-00-300326

In consideration of a net return premium of \$187.50 (being \$250 Gross less 25% ceding) it is understood and agreed that the audit for the period 7/1/83 to 7/1/84 is accepted.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: April 1, 1985


AUTHORIZED SIGNATURE

CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

**PALADIN REINSURANCE
CORPORATION**

NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

Employers Insurance of Wausau,
A Mutual Company

c/o PCM Intermediaries

RENEWING
CERTIFICATE

C 1229 & C 1263

REPLACING
CERTIFICATEPRODUCER
CODE NO.RECEIVED
WAUSAU INTL

AUG 15 1983

ATTENTION: **DECLARATIONS**

INSURED & ADDRESS	The Prudential Insurance Company of America, etal Newark, NJ		
COMPANY POLICY NUMBER	5734-00-200356		
COMPANY POLICY PERIOD	7/1/83 - 7/1/84	CERTIFICATE PERIOD	7/1/83 - 7/1/84
ITEM 1 TYPE OF INSURANCE	Umbrella Liability		
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$20,000,000 each occurrence and in the aggregate where applicable in excess of underlying insurance or self insured retention		
ITEM 3 COMPANY RETENTION	A. \$2,000,000 p/o \$5,000,000 Net & Treaty in excess of underlying B. \$5,300,000 p/o \$15,000,000 Net & Treaty in excess of A.		
ITEM 4 REINSURANCE ACCEPTED	A. \$500,000 B. \$1,500,000		
ITEM 5 BASIS OF REINSURANCE	<input type="checkbox"/> EXCESS OF LOSS <input checked="" type="checkbox"/> CONTRIBUTING EXCESS <input type="checkbox"/> NON-CONCURRENT		
ITEM 6 CANCELLATION	75 DAYS NOTICE		
A. \$4446.00			
PREMIUM THIS CERTIFICATE	B. 3354.00	<input type="checkbox"/> FIXED <input checked="" type="checkbox"/> DEPOSIT	CED. COMM. 27.5
TOTAL \$7800.00			
INSTALLMENTS PAYABLE	ESTIMATED PREMIUM BASE	RATE	EST. PREMIUM
AT INCEPTION	Per \$100 of payroll based on \$1,956,960,642 in payroll	A. .000227	A. 3,223.35
DATE		B. .00017	B. 2,431.65
DATE		TOTAL \$5,655.00	
MINIMUM PREMIUM - FOR REINSURANCE PERIOD			
DATE <u>August 10, 1983</u>			
BY <u><i>Paula Hennard</i></u> AUTHORIZED SIGNATURE			

PALADIN REINSURANCE CORPORATION123 WILLIAM STREET
NEW YORK, NEW YORK 10038

(hereinafter called the Reinsurer)

in consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby re-insure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

REINSURING AGREEMENTS AND CONDITIONS

A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company; subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.

B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability) might result in a judgment in an amount sufficient to involve this certificate; or where the Company has created a loss reserve of fifty (50) percent or greater or the Company's retention set forth in Item 3 of the declarations, or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company.

All claims involving this reinsurance when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay: (1) its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior consent to legal proceedings has been obtained from the Reinsurer), as follows: (a) with respect to reinsurance provided on an Excess of Loss basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro Rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of liability.

C. PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly; provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section L of these general conditions.

D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.

E. SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement or making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.

F. OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.

G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.

H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.

I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) In the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

J. TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.

K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.

L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbitrator to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrators before they enter upon arbitration. In the event that either party should fail to choose an arbitrator within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitrators who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitrators within sixty days following the date of their appointment. The decision of the arbitrators shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbitrator, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbitrators are chosen by one party, as above provided, the expense of the arbitrators, the umpire, and the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.

O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.

P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.

Q. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

[Handwritten signature]

[Handwritten signature]

CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

CERTIFICATE NUMBER

C 1260

PALADIN REINSURANCE CORPORATION

NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

Employers Insurance of Wausau-
A. Mutual Company

C/O PCM Intermediaries, Ltd.

RENEWING
CERTIFICATEREPLACING
CERTIFICATEPRODUCER
CODE NO.

ATTENTION: _____

DECLARATIONS

INSURED & ADDRESS	Senta etal as per original Betroft, Michigan 48226		
COMPANY POLICY NUMBER	5737-00-300549		
COMPANY POLICY PERIOD	7/15/82 to 7/15/87	CERTIFICATE PERIOD	7/15/82 to 7/15/85
ITEM 1 TYPE OF INSURANCE	Excess Architects & Engineers Prof Liab.		
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$23,000,000 excess of \$2,000,000 each claim/aggregate		
ITEM 3 COMPANY RETENTION	This Layer: \$4,000,000 Net & Treaty part of \$10,000,000 excess of \$5,000,000 each claim/aggregate		
ITEM 4 REINSURANCE ACCEPTED	\$1,000,000 part of \$10,000,000 excess of \$5,000,000 each claim/aggregate		
ITEM 5 BASIS OF REINSURANCE	<input type="checkbox"/> EXCESS OF LOSS <input checked="" type="checkbox"/> CONTRIBUTING EXCESS <input type="checkbox"/> NON-CONCURRENT		
ITEM 6 CANCELLATION	DAYS NOTICE see endt f 1. ←		
PREMIUM THIS CERTIFICATE \$8000.00 <input checked="" type="checkbox"/> FIXED <input type="checkbox"/> DEPOSIT CED. COMM. 25%			
INSTALLMENTS PAYABLE	ESTIMATED PREMIUM BASE	RATE	EST. PREMIUM
AT INCEPTION			\$6000.00
DATE			Net
DATE			
DATE			
MINIMUM PREMIUM - FOR REINSURANCE PERIOD			
DATE August 11, 1982 BY <u>PA. T.</u> AUTHORIZED SIGNATURE			

PALADIN REINSURANCE CORPORATION

123 WILLIAM STREET
NEW YORK, NEW YORK 10038

(hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

REINSURING AGREEMENTS AND CONDITIONS

A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company; subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.

B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability) might result in a judgment in an amount sufficient to involve this certificate, or where the Company has created a loss reserve of fifty (50) percent or greater of the Company's retention set forth in Item 3 of the declarations; or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceedings involving this reinsurance, with the full cooperation of the Company. All claims involving this reinsurance when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay: (1) its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior consent to legal proceedings has been obtained from the Reinsurer), as follows: (a) with respect to reinsurance provided on an Excess of Loss basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro Rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of liability.

C. PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly; provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred prior for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section 1 of these general conditions.

D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books, records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.

E. SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement or making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.

F. OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.

G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.

H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.

I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

nate. Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

J. TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.

K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.

L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense, thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbitrator to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrators before they enter upon arbitration. In the event that either party should fail to choose an arbitrator within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitrators who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitrators within sixty days following the date of their appointment. The decision of the arbitrators shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbitrator, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbitrators are chosen by one party, as above provided, the expense of the arbitrators, the umpire, and the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place in New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

N. INTERMEDIARY. The intermediary named herein is hereby recognized as the intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the intermediary. Payments by the Company to the intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.

O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.

P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.

Q. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

Secretary

President

PALADIN REINSURANCE CORPORATION

ENDORSEMENT NO.: 1

THIS ENDORSEMENT, EFFECTIVE 7/15/82, FORMS A PART OF
CONTRACT NO.: C 1260 ISSUED TO Employers Insurance of Wausau A.
Mutual Company
ORIGINAL INSURED: Semta etal POLICY NO.: 5737-00-300549

It is understood and agreed that coverage provided by this certificate shall be extended for a two year period (expiring July 15, 1987) from July 15, 1985 unless 135 (105 plus 30) days notice is given prior to the July 15, 1985 date that such extension will not be granted and return of unearned premium is tendered at that time.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: 8/12/82



AUTHORIZED SIGNATURE

PALADIN REINSURANCE CORPORATION

A Company Managed By
SYNCORP

ENDORSEMENT NO.: 2

THIS ENDORSEMENT, EFFECTIVE 7/15/82, FORMS A PART OF

CONTRACT NO.: C1260 ISSUED TO Employers Insurance of Wausau

ORIGINAL INSURED: SEMTA, et al POLICY NO.: 5727-00-300549

Pursuant to endorsement number 3 of the original policy, it is agreed
that:

- A) The coverage of this policy is hereby extended to apply to claims first made against the insured during seven hundred thirty (730) calendar days immediately following July 15, 1985 the effective date of cancellation or non-renewal of this policy. This seven hundred thirty (730) days interval is referred to as the extension period.
- B) The extension of coverage referred to in Paragraph 1., hereof shall apply only to claims which arise by reason of an act, error or omission in professional services performed prior to the effective date of such cancellation or non-renewal of this policy and which is otherwise covered thereunder.
- C) Nothing contained in this endorsement shall in any way increase the limits of liability or aggregate set forth in the declarations of the policy.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: 11/26/85

Barbara A. Caden
AUTHORIZED SIGNATURE

PALADIN REINSURANCE CORPORATION

A Company Managed By
SYNCORP

ENDORSEMENT NO.: 3

THIS ENDORSEMENT, EFFECTIVE 7/15/85, FORMS A PART OF

CONTRACT NO.: C1260 ISSUED TO Employers Insurance of Wausau

ORIGINAL INSURED: SEMTA et al POLICY NO.: 5737-00-300549

In consideration of a return premium of \$3,198.00 gross it is
agreed that this policy is cancelled effective July 15, 1985.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: 11/26/85

Barbara A. Celen
AUTHORIZED SIGNATURE

CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

PALADIN REINSURANCE CORPORATION

NEW YORK, NEW YORK

CERTIFICATE NUMBER

C 1070RECEIVED
WAUSAU, N.J.

CEDING CO. AND ADDRESS


Employers Insurance of Wausau

C/O Fred S. James & Co. of N.Y.

RENEWING
CERTIFICATEREPLACING
CERTIFICATEPRODUCER
CODE NO.

ATTENTION: Mr. Frank Ficarra

DECLARATIONS

INSURED & ADDRESS	Wigham Poland Holdings Ltd.		
COMPANY POLICY NUMBER	WHM 81/013 & Policy 5732-00-100220		
COMPANY POLICY PERIOD	5/1/81 to 5/1/82	CERTIFICATE PERIOD	5/1/81 to 5/1/82
ITEM 1 TYPE OF INSURANCE	Insurance Brokers Professional Liability		
ITEM 2 POLICY LIMITS AND APPLICATIONS	£5,000,000 in excess of deductibles divided: (a) £2,000,000 in excess of deductibles (b) £3,000,000 in excess of (a)		
ITEM 3 COMPANY RETENTION	(a) £1,791,600 part of £2,000,000 excess of deductibles and including other reinsurance. (b) 100% of £3,000,000 in excess of (a) including other reinsurance.		
ITEM 4 REINSURANCE ACCEPTED	(a) £208,400. part of £2,000,000 excess of deductibles (b) nil part of £3,000,000 in excess of £2,000,000.		
ITEM 5 BASIS OF REINSURANCE	<input type="checkbox"/> EXCESS OF LOSS <input checked="" type="checkbox"/> CONTRIBUTING EXCESS <input type="checkbox"/> NON-CONCURRENT		
ITEM 6 CANCELLATION	45 DAYS NOTICE		
PREMIUM THIS CERTIFICATE £19,538. <input type="checkbox"/> FIXED <input type="checkbox"/> DEPOSIT CED. COMM. 27.5			
INSTALLMENTS PAYABLE	ESTIMATED PREMIUM BASE	RATE	EST. PREMIUM
AT INCEPTION			
DATE			£14,165 being
DATE			£19,538 less
DATE			27.5% cede
MINIMUM PREMIUM - FOR REINSURANCE PERIOD			
DATE August 25, 1981 BY  AUTHORIZED SIGNATURE			

PALADIN REINSURANCE CORPORATION

123 WILLIAM STREET
NEW YORK, NEW YORK 10038

(hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

REINSURING AGREEMENTS AND CONDITIONS

A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company, subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.

B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability) might result in a judgment in an amount sufficient to involve this certificate; or where the Company has created a loss reserve of fifty (50) percent or greater of the Company's retention set forth in Item 3 of the declarations, or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company. All claims involving this reinsurance when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay: (1) its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior consent to legal proceedings has been obtained from the Reinsurer), as follows: (a) with respect to reinsurance provided on an Excess of Loss basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro Rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of liability.

C. PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly, provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section L of these general conditions.

D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.

E. SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement or making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.

F. OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.

G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.

H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.

I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) In the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

J. TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.

K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.

L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbitrator to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrators before they enter upon arbitration. In the event that either party should fail to choose an arbitrator within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitrators who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitrators within sixty days following the date of their appointment. The decision of the arbitrators shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbitrator, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbitrators are chosen by one party, as above provided, the expense of the arbitrators, the umpire, and the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.

O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.

P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies(y) only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.

Q. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

Secretary

President

PALADIN REINSURANCE CORPORATION

ENDORSEMENT NO.: 1

RECEIVED
WAUSAU INTL

SEP 1 1981

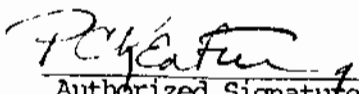
This endorsement, effective May 1, 1981 forms a part of
Contract No.: 1033 ^{Revised} issued to Employers Insurance of Wausau
Original Insured: Wigham Poland Holdings Ltd. Policy No.: WHM81/013
Pol 5732-00-100220

It is agreed that certificate number is amended from C 1070 to
C 1033 revised.

It is further agreed that item 6 of the declarations is amended
to read 75 days.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: 9/17/81


Authorized Signature

PALADIN REINSURANCE CORPORATION

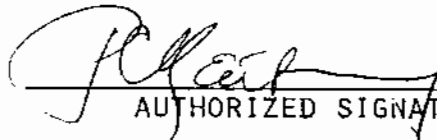
ENDORSEMENT NO.: 2

THIS ENDORSEMENT, EFFECTIVE Jan. 1, 1982, FORMS A PART OF
CONTRACT NO.: C1033 Reviced ISSUED TO Employers Ins. Of Wausau
ORIGINAL INSURED: Wigham Poland Holdings Ltd POLICY NO.: 5732-00-100220

In consideration of a return premium of £4660.00 net
being £6428.00 less ceding commission it is understood and
agreed that coverage is cancelled prorata effective as
indicated above by reason of combination with Cert# C1126.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: 8/20/82


AUTHORIZED SIGNATURE

IN THE MATTER OF THE ARBITRATION BETWEEN

JUDGE KEENAN

EMPLOYERS INSURANCE COMPANY
OF WAUSAU,

Petitioner,

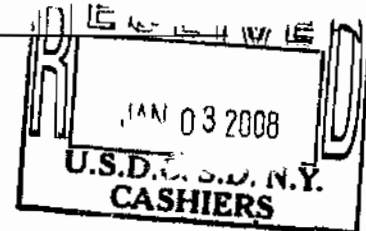
and

PALADIN REINSURANCE CORPORATION,

Respondent.

08 CV 0042
2008 Civ.

**PETITION TO CONFIRM
REVISED ARBITRATION
AWARD**



Petitioner Employers Insurance Company of Wausau ("Wausau") hereby petitions this Court to confirm the Revised Arbitration Award from the arbitration between Wausau and Paladin Reinsurance Corporation ("Paladin") as a judgment pursuant to 9 U.S.C. § 9.

The Parties

1. Wausau is an insurance company organized under the laws of Wisconsin, with its principal place of business at 400 Westwood Drive, Wausau, Wisconsin 54402, that is authorized to do insurance business in the State of New York.

2. Paladin is a reinsurance company organized under the laws of the State of New York, with its principal place of business in New York, New York, that is authorized to do insurance business in the State of New York.

Jurisdiction and Venue

3. This Petition is brought under the diversity jurisdiction of this Court, 28 U.S.C. § 1332(a)(1), since there is complete diversity of citizenship between the parties and the amount at issue is greater than \$75,000 exclusive of interest and costs.

4. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(a)(1) since Paladin is a New York reinsurance company and 9 U.S.C. § 9 since the venue of the arbitration was in New York City.

The Reinsurance Contracts and the Arbitration Clauses

5. Paladin reinsures Wausau pursuant to 19 certificates of facultative reinsurance (the "Reinsurance Contracts").

6. Each of the Reinsurance Certificates contains an arbitration clause that requires, among other things, binding arbitration of irreconcilable differences of opinion between the parties concerning that Reinsurance Contract in New York, N.Y. (the "Arbitration Clauses").

The Arbitration

7. Paladin demanded arbitration against Wausau pursuant to the Arbitration Clauses in the Reinsurance Contracts by letter dated November 28, 2006, seeking, among other things, monetary relief from Wausau greater than \$75,000.

8. Two party-appointed arbitrators and a neutral umpire (collectively, the "Panel") were duly selected pursuant to the Arbitration Clauses.

9. A telephonic Organizational Meeting was conducted before the Panel on February 27, 2006. Prior to the Organizational Meeting, each party submitted a Position Statement summarizing its position.

Wausau's Motion to Dismiss

10. After the Organizational Meeting, Wausau moved to dismiss all claims against Wausau on the ground that all such claims were time-barred.

11. Both parties made written submissions to the Panel with respect to the motion to dismiss.

12. On August 8, 2007, the Panel conducted a hearing and heard oral argument from counsel for each party.

13. After the hearing, the Panel permitted both parties to make an additional written submission of documentary evidence and each party did so.

14. The Panel issued a Final Award dated August 29, 2007. Paladin then asked the Panel to clarify the Final Award.

15. In connection with Paladin's request for clarification, both parties made written submissions to the Panel.

The Revised Final Award

16. After deliberation, the Panel issued its Revised Final Award on September 12, 2007. A copy of that document is Exhibit A hereto. The Revised Final Award, among other things, held that all Paladin's claims in that arbitration were time-barred.

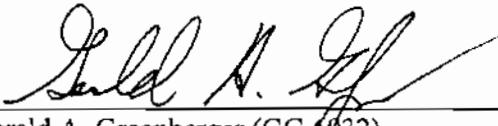
17. No motion to vacate, modify or correct the Revised Final Award was made within the three-month period prescribed by 9 U.S.C. § 12.

WHEREFORE, Petitioner Wausau respectfully requests that judgment be entered confirming the Revised Final Award and awarding Wausau the costs and disbursements of this proceeding, and such other and further relief as may be just and equitable.

Dated: New York, New York
January 3, 2008

RUBIN, FIORELLA & FRIEDMAN LLP

By:


Gerald A. Greenberger (GG 6932)

Attorneys for Petitioner
Employers Insurance Company of Wausau

292 Madison Avenue, 11th Floor
New York, New York 10017
(212) 953-2381

421-8190\Petition to Confirm Rev. Arb. Award.wpd

EXHIBIT A

In the Matter of the Arbitration Between
PALADIN REINSURANCE CORPORATION,
Petitioner,

and

Before

Robert Robinson, Arbitrator
Paul Hawksworth, Arbitrator
Elizabeth M. Thompson, Umpire

EMPLOYERS INSURANCE COMPANY OF WAUSAU
Respondent

REVISED FINAL AWARD

This arbitration was commenced by demand served by Paladin Reinsurance Corporation (Paladin) dated November 28, 2006. Respondent Employers Insurance Company of Wausau (Wausau) filed a Motion to Dismiss Paladin's claims as time barred. After full briefing and submission of evidence by the parties, the Panel conducted a telephonic hearing on August 8, 2007. The Panel, after having considered and deliberated concerning the evidence presented and the written and oral submissions of the parties, issued its award on August 29, 2007. Subsequently Paladin requested the Panel to clarify its award. The Panel, after having considered the parties' submissions with respect to Paladin's request for clarification issues, the following revised final award.

- 1 Both parties submitted documentary evidence in support of their respective positions. The parties acknowledged that the panel has been provided with all the information required to rule on the issue raised by Wausau's motion. See August 8, 2007 Hearing Transcript p 52. The Panel therefore has treated this motion as a Motion for Summary Judgment.
- 2 It is undisputed that New York law applies to the contracts at issue and that the governing statute of limitations is the latter of six years from the date of the alleged breach or two years from the date Paladin knew of, or through the exercise of reasonable diligence could have discovered the alleged breach.
- 3 The Panel finds that Paladin knew of, or with the exercise of reasonable diligence could have discovered, Wausau's alleged breach of the retention warranties in the facultative certificates at issue more than two years prior to October 26, 2001. Accordingly the Panel finds that Paladin's claims in this proceeding are time barred.
4. Each party shall bear its own costs and fees and the fees and expenses of its party appointed arbitrator. Each party shall pay one half of the fees and costs of the umpire. The fees and expenses of the arbitrators and umpire shall be paid within 30 days of submission of their billings.

5. All other requests of the parties are denied.

Dated September 12, 2007

Robert Robinson

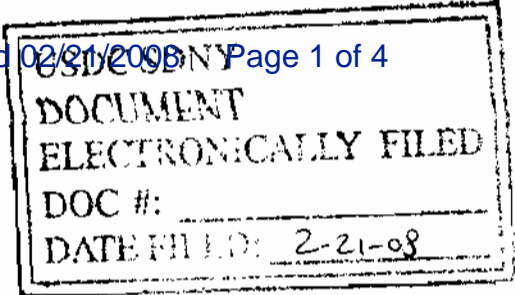
Robert Robinson, Arbitrator *ent by permission*

Paul Hawksworth

Paul Hawksworth, Arbitrator *ent by permission*

Elizabeth M. Thompson

Elizabeth M. Thompson, Umpire



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- X
EMPLOYERS INSURANCE COMPANY
OF WAUSAU,

Petitioner,

and

PALADIN REINSURANCE CORPORATION,

Respondent.
----- X

2008 Civ. 0042 (JFK)

**STIPULATION AND
CONSENT TO ENTRY
OF JUDGMENT
AND DISMISSAL**

IT IS HEREBY STIPULATED AND AGREED between the undersigned attorneys for both parties in this proceeding:

1. That each party to this proceeding hereby consents to the confirmation pursuant to 9 U.S.C. § 9 of the Revised Final Award (the "Award") in the arbitration between the parties. A copy of the Award is attached as Exhibit A hereto.
2. That each party consents to the entry of the Award as a Judgment of this Court, along with the filing of the underlying agreements and the Petition to Confirm Revised Final Award in this proceeding pursuant to 9 U.S.C. § 13.
3. That upon the above entry of said judgment, this proceeding shall be dismissed with prejudice against renewal. Each party hereto shall bear its own costs.

Dated: January 28, 2008
New York, New York

D'AMATO & LYNCH

By: 

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By: 

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471-8190 Stop for Entry of Judgment and Dismissal.wpd

"A"

In the Matter of the Arbitration Between
PALADIN REINSURANCE CORPORATION,
Petitioner

Before

and

Robert Robinson, Arbitrator
Paul Hawksworth, Arbitrator
Elizabeth M. Thompson, Umpire

EMPLOYERS INSURANCE COMPANY OF WAUSAU
Respondent

REVISED FINAL AWARD

This arbitration was commenced by demand served by Paladin Reinsurance Corporation (Paladin) dated November 28, 2006. Respondent Employers Insurance Company of Wausau (Wausau) filed a Motion to Dismiss Paladin's claims as time barred. After full briefing and submission of evidence by the parties, the Panel conducted a telephonic hearing on August 8, 2007. The Panel, after having considered and deliberated concerning the evidence presented and the written and oral submissions of the parties, issued its award on August 29, 2007. Subsequently, Paladin requested the Panel to clarify its award. The Panel, after having considered the parties' submissions with respect to Paladin's request for clarification, issues the following revised final award:

1. Both parties submitted documentary evidence in support of their respective positions. The parties acknowledged that the panel has been provided with all the information required to rule on the issue raised by Wausau's motion. See August 8, 2007 Hearing Transcript, p. 52. The Panel therefore has treated this motion as a Motion for Summary Judgment.
2. It is undisputed that New York law applies to the contracts at issue and that the governing statute of limitations is the latter of six years from the date of the alleged breach or two years from the date Paladin knew of, or through the exercise of reasonable diligence could have discovered the alleged breach.
3. The Panel finds that Paladin knew of, or with the exercise of reasonable diligence could have discovered, Wausau's alleged breach of the retention warranties in the facultative certificates at issue more than two years prior to October 26, 2004. Accordingly, the Panel finds that Paladin's claims in this proceeding are time barred.
4. Each party shall bear its own costs and fees and the fees and expenses of its party-appointed arbitrator. Each party shall pay one-half of the fees and costs of the umpire. The fees and expenses of the arbitrators and umpire shall be paid within 30 days of submission of their billings.

5. All other requests of the parties are denied.

Dated: September 12, 2007

Robert Robinson

Robert Robinson, Arbitrator

Paul Hawksworth

Paul Hawksworth, Arbitrator

Elizabeth M. Thompson

Elizabeth M. Thompson, Umpire

**United States District Court
Southern District of New York
Office of the Clerk
U.S. Courthouse
500 Pearl Street, New York, N.Y. 10007-1213**

Date:

In Re:

-v-

Case #:

()

Dear Litigant,

Enclosed is a copy of the judgment entered in your case.

Your attention is directed to Rule 4(a)(1) of the Federal Rules of Appellate Procedure, which requires that if you wish to appeal the judgment in your case, you must file a notice of appeal within 30 days of the date of entry of the judgment (60 days if the United States or an officer or agency of the United States is a party).

If you wish to appeal the judgment but for any reason you are unable to file your notice of appeal within the required time, you may make a motion for an extension of time in accordance with the provision of Fed. R. App. P. 4(a)(5). That rule requires you to show "excusable neglect" or "good cause" for your failure to file your notice of appeal within the time allowed. Any such motion must first be served upon the other parties and then filed with the Pro Se Office no later than 60 days from the date of entry of the judgment (90 days if the United States or an officer or agency of the United States is a party).

The enclosed Forms 1, 2 and 3 cover some common situations, and you may choose to use one of them if appropriate to your circumstances.

The Filing fee for a notice of appeal is \$5.00 and the appellate docketing fee is \$450.00 payable to the "Clerk of the Court, USDC, SDNY" by certified check, money order or cash. No personal checks are accepted.

J. Michael McMahon, Clerk of Court

by: _____

, Deputy Clerk

APPEAL FORMS

Docket Support Unit

Revised: April 9, 2006

civ. ()

(party)

Revised: April 9, 2006

FORM 1

**United States District Court
Southern District of New York
Office of the Clerk
U.S. Courthouse
500 Pearl Street, New York, N.Y. 10007-1213**

-V-

**MOTION FOR EXTENSION OF TIME
TO FILE A NOTICE OF APPEAL**

civ.

()

Pursuant to Fed. R. App. P. 4(a)(5), _____ respectfully
(party)
requests leave to file the within notice of appeal out of time. _____
(party)
desires to appeal the judgment in this action entered on _____ but failed to file a
(day)
notice of appeal within the required number of days because:

[Explain here the "excusable neglect" or "good cause" which led to your failure to file a notice of appeal within the required number of days.]

(Signature)

(Address)

(City, State and Zip Code)

Date: _____

() _____
(Telephone Number)

Note: You may use this form, together with a copy of Form 1, if you are seeking to appeal a judgment and did not file a copy of Form 1 within the required time. If you follow this procedure, these forms must be received in the office of the Clerk of the District Court no later than 60 days of the date which the judgment was entered (90 days if the United States or an officer or agency of the United States is a party).

APPEAL FORMS

Docket Support Unit

Revised: April 9, 2006

FORM 2

**United States District Court
Southern District of New York
Office of the Clerk
U.S. Courthouse
500 Pearl Street, New York, N.Y. 10007-1213**

-V-

**NOTICE OF APPEAL
AND
MOTION FOR EXTENSION OF TIME**

civ. ()

1. Notice is hereby given that _____ hereby appeals to
(party)
the United States Court of Appeals for the Second Circuit from the judgment entered on _____.
[Give a description of the judgment]

2. In the event that this form was not received in the Clerk's office within the required time
_____ respectfully requests the court to grant an extension of time in
(party)
accordance with Fed. R. App. P. 4(a)(5).

a. In support of this request, _____ states that
(party)
this Court's judgment was received on _____ and that this form was mailed to the
(date)
court on _____
(date)

(Signature)

(Address)

(City, State and Zip Code)

Date: _____

() _____
(Telephone Number)

Note: You may use this form if you are mailing your notice of appeal and are not sure the Clerk of the District Court will receive it within the 30 days of the date on which the judgment was entered (60 days if the United States or an officer or agency of the United States is a party).

APPEAL FORMS

Docket Support Unit

Revised: April 9, 2006

FORM 3

**United States District Court
Southern District of New York
Office of the Clerk
U.S. Courthouse
500 Pearl Street, New York, N.Y. 10007-1213**

-----X
-V-
-----X

AFFIRMATION OF SERVICE

civ. ()

I, _____, declare under penalty of perjury that I have
served a copy of the attached _____

upon _____

whose address is: _____

Date: _____
New York, New York

(Signature)

(Address)

(City, State and Zip Code)

APPEAL FORMS

Docket Support Unit

Revised: April 9, 2006